



# KING COUNTY

1200 King County Courthouse  
516 Third Avenue  
Seattle, WA 98104

## Signature Report

December 3, 2003

### Ordinance

**Proposed No.** 2002-0556.1

**Sponsors** Constantine

1 AN ORDINANCE extending the term of cable television  
2 franchise 12132 and cable television franchise 11680 to  
3 February 16, 2008, and approving proposed amendments to  
4 franchise agreements for cable television franchise 12132  
5 and cable television franchise 11680.

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7  
8 **PREAMBLE:**

9 King County is granted authority under federal, state and county law and  
10 the terms of existing cable television franchises to grant an extension to  
11 the term of Franchises 12132 and 11680 as well as other amendments to  
12 the cable television franchise agreements held by TCI Cablevision of  
13 Washington, Inc., holder of franchise 12132 with TCI West, Inc., as  
14 guarantor and Tele-Vue Systems, Inc., holder of franchise 11680 with TCI  
15 Pacific, Inc., as guarantor. For the reasons set forth in this ordinance the  
16 proposed franchise agreement amendments are in the public interest if the  
17 conditions set forth in this ordinance are fully satisfied.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Findings: The council hereby finds the following facts:

A. In February 1995, the council granted franchise 11680 to Tele-Vue Systems, Inc., doing business as Viacom Cable (“Viacom”) to provide cable television service within certain areas of the unincorporated county.

B. In July 1996, the county approved the transfer of franchise 11680 from Viacom to TCI Communications, Inc. (“TCIC”) and adopted amendments to that franchise and franchise agreement (the “Amended Viacom Franchise and Franchise Agreement”) by Ordinance 12134 as amended by Ordinance 12391.

C. Concurrently, the county renewed as one franchise the cable television franchises previously granted to TCI of Auburn, Inc., TCI of Seattle, Inc., and TCI of Southwest Washington, Inc. (collectively “TCI”) by Ordinance 12132 as amended by Ordinance 12391.

D. On September 3, 1996, TCI of Seattle, Inc., TCI of Auburn, Inc., and TCI Cablevision of Southwest Washington, Inc., merged into one corporation, TCI Cablevision of Washington, Inc.

E. On or about August 30, 1996, the d/b/a name of the Tele-Vue Systems, Inc., corporation operating pursuant to franchise 11680 was changed from Viacom Cable to TCI of Washington.

F. TCI Cablevision of Washington, Inc., and TCI of Washington, Inc., (“franchisees”) are subsidiary corporations of Tele-Communications, Inc. (“TCI”).

G. TCI entered into a merger agreement with AT&T Corp. (“AT&T”) that resulted in a change of control of TCI and, indirectly, of franchisees. The TCI and

41 AT&T change of control was conditionally approved by the council pursuant to  
42 Ordinance 13409 on February 16, 1999, and Ordinance 13855 on May 15, 2000.

43 H. On March 10, 2000, TCI changed its name and corporate structure to AT&T  
44 Broadband, LLC. (“ATTB”).

45 I. On July 29, 2002, TCI, AT&T Corp. (“AT&T”), ATTB and franchisees were  
46 authorized to transfer the parental control of franchisees to a new company to be known  
47 as ATT Comcast Corporation (“ATT Comcast”), pursuant to Ordinance 14446.

48 J. K.C.C. 6.27A.020 provides for a maximum cable television franchise term of  
49 fifteen years. Franchise 12132 and franchise 11680 were granted a ten-year term, which  
50 will expire on February 16, 2005.

51 K. The franchisees and county have agreed on proposed modifications to the  
52 franchise agreements.

53 L. The county provided public notice of this ordinance and solicited public  
54 comment on the extension and the proposed amendments to franchise 12132 and  
55 franchise 11680.

56 SECTION 2. Modifications to the franchise agreements that are beneficial to the  
57 county and to the franchise holder result in the proposed extension of franchises 12132  
58 and 11680 for three additional years to February 16, 2008, is in the public interest subject  
59 to this ordinance and the following conditions subsequent: a person duly authorized by  
60 TCI Cablevision of Washington Inc., with TCI West, Inc., as guarantor and TCI of  
61 Washington with TCI Pacific, Inc., as guarantor shall: A. sign and deliver to the clerk of  
62 the council an acceptance, affirming their unconditional acceptance of this ordinance; B.  
63 sign and deliver to the clerk of the council the modified documents; and C. post a

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64 performance bond in the amount of three million five hundred thousand dollars and  
65 deliver to the clerk of the council letters from the applicable bonding company  
66 confirming that all other bonds related to the franchise agreements continue to meet the  
67 requirements of the franchise agreements. If for any reason, the franchisees fail to meet  
68 one or more of these conditions within forty-five days of the effective date of this  
69 ordinance, then this ordinance and the modifications that it grants shall be null and void  
70 and franchise 12132 and franchise 11680 shall terminate on February 16, 2005.

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71            SECTION 3. The King County executive is hereby authorized to sign the  
72 modified documents on behalf of King County.  
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KING COUNTY COUNCIL  
KING COUNTY, WASHINGTON

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Cynthia Sullivan, Chair

ATTEST:

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Anne Noris, Clerk of the Council

APPROVED this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

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Ron Sims, County Executive

**Attachments**       None